

AN ACT

relating to career and technical education and workforce development grant programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 134.004, Education Code, is amended to read as follows:

Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM. (a) The comptroller shall establish and administer the Jobs and Education for Texans (JET) Grant Program to provide grants to public junior colleges and ~~and~~ public technical institutes~~[, and eligible nonprofit organizations]~~ that apply to the advisory board in the manner prescribed by the advisory board. The comptroller shall award the grants on the advice and recommendations of the advisory board.

(b) Grants may be awarded under this chapter from the Jobs and Education for Texans (JET) fund ~~[for the following purposes:~~

~~[(1) to develop, support, or expand programs of nonprofit organizations that meet the requirements of Section 134.005 and that prepare low-income students for careers in high-demand occupations,~~

~~[(2)]~~ to defray the start-up costs associated with the development of new career and technical education programs at public junior colleges and public technical institutes that meet the requirements of Section 134.006~~[, and~~

1 ~~[(3) to provide scholarships for students in career and~~
2 ~~technical education programs who meet the requirements of Section~~
3 ~~134.007]~~.

4 SECTION 2. Subtitle G, Title 3, Education Code, is amended
5 by adding Chapter 136 to read as follows:

6 CHAPTER 136. TEXAS INNOVATIVE ADULT CAREER EDUCATION GRANT PROGRAM

7 Sec. 136.001. DEFINITIONS. In this chapter:

8 (1) "Nonprofit organization" means an organization
9 exempt from federal income taxation under Section 501(a), Internal
10 Revenue Code of 1986, as an organization described by Section
11 501(c)(3) of that code.

12 (2) "Nonprofit workforce intermediary and job
13 training organization" means a nonprofit organization that engages
14 in comprehensive long-term job training in partnership with a
15 public junior college, public state college, or public technical
16 institute and provides labor market intermediary services to
17 participant students.

18 (3) "Program" means the Texas Innovative Adult Career
19 Education (ACE) Grant Program established under Section 136.005.

20 (4) "Public junior college," "public state college,"
21 and "public technical institute" have the meanings assigned by
22 Section 61.003.

23 Sec. 136.002. GRANT ADMINISTRATOR. (a) The Texas Higher
24 Education Coordinating Board shall designate the governing board of
25 a junior college district primarily located in a municipality with
26 a population of 750,000 or more that is primarily located in a
27 county with a population of 1.5 million or less as the grant

1 administrator of the program, including the funds available under
2 Section 136.003.

3 (b) The grant administrator may participate in the program
4 if the grant administrator is otherwise an eligible organization
5 under Section 136.006.

6 Sec. 136.003. TEXAS INNOVATIVE ADULT CAREER EDUCATION (ACE)
7 GRANT FUND. (a) The comptroller shall establish the Texas
8 Innovative Adult Career Education (ACE) Grant fund as a dedicated
9 account in the general revenue fund.

10 (b) The following amounts shall be deposited in the fund:

11 (1) any amounts appropriated by the legislature for
12 the fund for purposes of this chapter;

13 (2) interest earned on the investment of money in the
14 fund; and

15 (3) gifts, grants, and other donations received for
16 the fund.

17 Sec. 136.004. PROGRAM ADVISORY BOARD. (a) The grant
18 administrator shall establish a program advisory board that
19 provides input and recommendations for the awarding of grants under
20 this chapter.

21 (b) The program advisory board must be composed of members
22 representing the philanthropic community, the business employer
23 community, and public junior colleges and public technical
24 institutes and must include the mayor of one of the five most
25 populous municipalities in this state. The grant administrator may
26 appoint a nonvoting, ex officio member to the program advisory
27 board. The program advisory board shall elect a chair of the board

1 from among its members.

2 (c) The program advisory board shall provide oversight to
3 ensure that the grant administrator:

4 (1) establishes and adheres to an appropriate system
5 that provides acceptable standards for ensuring accountability in
6 the awarding and monitoring of grants;

7 (2) enters into a written grant agreement or contract
8 with each grantee that establishes clear goals and obligations in
9 unambiguous terms;

10 (3) acts with due diligence to monitor the
11 implementation of a grant agreement, including carrying out
12 appropriate monitoring activities including reviews at reasonable
13 intervals; and

14 (4) takes prompt and appropriate corrective action on
15 becoming aware of any evidence of a violation by a grantee of this
16 chapter or of rules adopted under this chapter.

17 (d) The program advisory board shall meet as needed to
18 review received grant applications and make recommendations to the
19 grant administrator regarding awarding grants under this chapter.

20 Sec. 136.005. TEXAS INNOVATIVE ADULT CAREER EDUCATION (ACE)
21 GRANT PROGRAM. (a) The grant administrator shall establish and
22 administer the Texas Innovative Adult Career Education (ACE) Grant
23 Program to provide grants to eligible nonprofit workforce
24 intermediary and job training organizations. In awarding grants
25 under the program, the grant administrator shall take into
26 consideration the recommendations of the program advisory board.

27 (b) Grants may be awarded under this chapter from the Texas

Innovative Adult Career Education (ACE) Grant fund only to develop, support, or expand programs of eligible nonprofit workforce intermediary and job training organizations to prepare low-income students to enter careers in high-demand and significantly higher-earning occupations.

Sec. 136.006. ELIGIBLE ORGANIZATIONS. (a) To be eligible for a grant under the program, a nonprofit workforce intermediary and job training organization must:

(1) apply to the grant administrator in the manner prescribed by the grant administrator;

(2) provide to eligible low-income students, in partnership with public junior colleges, public state colleges, or public technical institutes:

(A) job training; and

(B) a continuum of services designed to move a program participant from application to employment, including outreach, assessment, case management, support services, and career placement;

(3) be governed by a board or other governing structure that includes recognized leaders of broad-based community organizations and executive-level or managerial-level members of the local business community;

(4) demonstrate to the satisfaction of the program advisory board that the organization's program has achieved or will achieve the following measures of success among program participants:

(A) above-average completion of developmental

education among participating public junior college, public state college, or public technical institute students;

(B) above-average persistence rates among participating public junior college, public state college, or public technical institute students;

(C) above-average certificate or degree completion rates by participating students within a three-year period compared to demographically comparable public junior college, public state college, and public technical institute students; and

(D) entry into careers with significantly higher earnings for program participants than previously achieved; and

(5) provide matching funds in accordance with rules adopted under this chapter.

(b) The matching funds required under Subsection (a)(5) may be obtained from any source available to the organization, including in-kind contributions, community or foundation grants, individual contributions, and local governmental agency operating funds. The grant administrator may adopt rules requiring an organization to demonstrate compliance with the matching funds requirement before the payment of the next installment under an awarded grant.

Sec. 136.007. RULES. (a) The grant administrator shall adopt rules as necessary for the administration of this chapter in the manner provided by Chapter 2001, Government Code, for a state agency.

(b) The grant administrator, with recommendations of the

1 program advisory board, shall adopt rules regarding eligibility,
2 program tuition and fees, administrative costs, matching funds, and
3 case management and other supports for the program. The rules may
4 include provisions for the payment in periodic installments of
5 grant awards.

6 SECTION 3. (a) Sections 134.001(1), 134.005, and 134.007,
7 Education Code, are repealed.

8 (b) Subchapter O, Chapter 403, Government Code, is
9 repealed.

10 SECTION 4. A person receiving a scholarship or other
11 financial assistance under Chapter 134, Education Code, or
12 Subchapter O, Chapter 403, Government Code, before the effective
13 date of this Act for the 2013-2014 academic year may continue to
14 receive a scholarship or other financial assistance under that law
15 as applicable to the person immediately before that date, until the
16 person is no longer eligible for the scholarship or other
17 assistance under Chapter 134, Education Code, or Subchapter O,
18 Chapter 403, Government Code, as the applicable law exists on
19 January 1, 2013, and the former law is continued in effect for that
20 purpose.

21 SECTION 5. The Texas Higher Education Coordinating Board
22 shall designate a grant administrator as required by Section
23 136.002, Education Code, as added by this Act, as soon as possible
24 after the effective date of this Act.

25 SECTION 6. Grants provided under the Texas Innovative Adult
26 Career Education (ACE) Grant Program established under Chapter 136,
27 Education Code, as added by this Act, may benefit only a permanent

1 legal resident or citizen of the United States.

2 SECTION 7. This Act does not make an appropriation. This
3 Act takes effect regardless of whether a specific appropriation for
4 the implementation of this Act is provided in a general
5 appropriations act of the 83rd Legislature.

6 SECTION 8. This Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I certify that H.B. No. 437 was passed by the House on April 4, 2013, by the following vote: Yeas 146, Nays 1, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 437 on May 24, 2013, by the following vote: Yeas 143, Nays 0, 3 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 437 was passed by the Senate, with amendments, on May 22, 2013, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor